

COMMONWEALTH OF VIRGINIA
WORKFORCE INVESTMENT ACT
VIRGINIA EMPLOYMENT COMMISSION

FIELD GUIDANCE MEMORANDUM #02-01

TO: LOCAL WORKFORCE INVESTMENT BOARDS

FROM: WIA UNIT

SUBJECT: WIA LOCAL AREA ADMINISTRATIVE AND PROGRAM COSTS

DATE: JANUARY 4, 2002

We have received numerous questions about cost categories and Local Workforce Investment Board (LWIB) staff work activities. The purpose of this memo is to provide clarity regarding these issues.

The Workforce Investment Act (WIA) states that staff work activities can be either administrative or programmatic, depending on how the underlying functions that they support are classified (20 CFR 667.210). Personnel and related non-personnel costs of Board staff who perform both administrative functions and programmatic services must be allocated to the benefiting cost categories based on documented distributions of actual time worked or other equitable cost allocation methods.

WIA administrative functions include, but are not limited to, the following:

1. Accounting and budgeting;
2. Financial and cash management;
3. Procurement and purchasing;
4. Property management;
5. Payroll and personnel management;
6. General oversight, audit and coordinating the resolution of findings from audits, reviews, investigations and incident reports;
7. General legal services;
8. Developing and operating systems and procedures, including information systems, required for these administrative functions;
9. Oversight and monitoring of administrative functions; and
10. Costs of staff time and work activities conducted to carryout administrative functions.

WIA programmatic services include, but are not limited to, the following:

1. Negotiating MOU;
2. Preparing program level budgets and plans;
3. Activities of subrecipients and vendors; and

4. Costs associated with the following information systems, including the purchase, systems development and operating (i.e. data entry) costs:
 - a. Tracking or monitoring of participant and performance information;
 - b. Employment statistics information, including job listing information, job skills information and demand occupation information;
 - c. Performance and program cost information on eligible providers of training services, youth activities and appropriate education activities;
 - d. Local area performance information; and
 - e. Information relating to supportive services and unemployment insurance claims for program participants.